

COUNTY ADMINISTRATIVE OFFICE

BUDGET UNIT: MEDICAL CENTER LEASE PAYMENT FUND (EMD JPL)

I. GENERAL PROGRAM STATEMENT

This unit funds the cost of long-term lease payments to the Inland Empire Public Facilities Corporation for the Arrowhead Regional Medical Center (ARMC) facility. Funding sources include state revenues from the SB 1732 – Construction Renovation/Reimbursement Program, operating transfers from ARMC representing Medicare and fee for service revenues, and operating transfers from the general fund backed by realignment revenues and tobacco settlement proceeds. There is no staffing associated with this budget unit.

II. BUDGET & WORKLOAD HISTORY

| | Actual 2001-02 | Budget 2002-03 | Actual 2002-03 | Budget 2003-04 |
|-------------------------|-------------------|-------------------|-------------------|-------------------|
| Total Operating Expense | 53,529,236 | 53,115,289 | 53,023,459 | 53,158,112 |
| Total Financing Sources | 53,529,236 | 53,115,289 | 53,023,459 | 53,158,112 |

III. HIGHLIGHTS OF BOARD APPROVED CHANGES TO BUDGET

PROGRAM CHANGES

Services and supplies reflect a slight increase due to an estimated increase in net lease payments coupled with an increase in trustee/administrative fees associated with the debt. State revenues from the SB 1732 – Construction Renovation/Reimbursement program are increased as this reimbursement is based on a percentage of the net lease payments. As mentioned in the Master Settlement Agreement budget unit, annual payments to the County of San Bernardino of tobacco settlement proceeds are scheduled to decrease by \$2.7 million in 2003-04. This decrease will be offset by an increase in realignment revenues of \$2.7 million.

| GROUP: Administrative/Executive | | | FUNCTION: General | | |
|--|--------------------|----------------------------|--|--|-------------------------|
| DEPARTMENT: County Administrative Office - Medical Ctr Lease | | | ACTIVITY: Property Mgmt | | |
| FUND: Enterprise EMD JPL | | | | | |
| | 2002-03 Actuals | 2002-03 Approved Budget | 2003-04 Board Approved Base Budget | 2003-04 Board Approved Changes to Base Budget | 2003-04 Final Budget |
| Appropriation | | | | | |
| Services and Supplies | 53,023,459 | 53,115,289 | 53,115,289 | 42,823 | 53,158,112 |
| Total Operating Expense | 53,023,459 | 53,115,289 | 53,115,289 | 42,823 | 53,158,112 |
| Revenue | | | | | |
| State, Fed or Gov't Aid | 27,108,973 | 24,466,969 | 24,466,969 | 17,040 | 24,484,009 |
| Total Revenue | 27,108,973 | 24,466,969 | 24,466,969 | 17,040 | 24,484,009 |
| Operating Transfers In | 25,914,486 | 28,648,320 | 28,648,320 | 25,783 | 28,674,103 |
| Total Financing Sources | 53,023,459 | 53,115,289 | 53,115,289 | 42,823 | 53,158,112 |

| Board Approved Changes to Base Budget | | |
|---------------------------------------|-------------|---|
| Services and Supplies | 6,178 | Increase in trustee/administrative fees associated with the debt. |
| | 36,645 | Increase in net lease payments. |
| | 42,823 | |
| Total Operating Expense | 42,823 | |
| State, Fed or Gov't Aid | 17,040 | Increase in SB1732 state revenues due to an increase in net lease payments. |
| Total Revenue | 17,040 | |
| Operating Transfers In | 2,725,783 | Increase in realignment from health care costs budget. |
| | (2,700,000) | Decrease in tobacco settlement proceeds. |
| | 25,783 | |
| Total Financing Sources | 42,823 | |